

Franchise Tax Board

SUMMARY ANALYSIS OF AMENDED BILL

Author: Wiggins Analyst: Darrine Distefano Bill Number: AB 44
Related Bills: See Prior Analysis Telephone: 845-6458 Amended Date: 09-07-2001
Attorney: Patrick Kusiak Sponsor: _____

SUBJECT: Disaster Loss Deduction/2000 Earthquake

- ☒ DEPARTMENT AMENDMENTS ACCEPTED. Amendments reflect suggestions of previous analysis of bill as amended August 20, 2001.
- ☐ AMENDMENTS IMPACT REVENUE. A new revenue estimate is provided.
- ☐ AMENDMENTS DID NOT RESOLVE THE DEPARTMENT'S CONCERNS stated in the previous analysis of bill as introduced/amended _____.
- ☐ FURTHER AMENDMENTS NECESSARY.
- ☐ DEPARTMENT POSITION CHANGED TO _____.
- ☒ REMAINDER OF PREVIOUS ANALYSIS OF BILL AS AMENDED August 20, 2001 STILL APPLIES.
- ☐ OTHER - See comments below.

SUMMARY

This bill would allow taxpayers special tax treatment, called disaster loss treatment, for losses sustained as a result of the earthquake that occurred in September 2000 in Napa, California.

SUMMARY OF AMENDMENT

The September 7, 2001, amendment corrects an inaccurate reference to the Bank and Corporation Tax Law (B&CTL) NOL section under the Personal Income Tax Law (PITL) provisions. The amendment resolves the department's technical consideration from the previous analysis. The remainder of the department's analysis of the bill, as amended August 20, 2001, still applies.

POSITION

Support.

At its June 27, 2001, meeting, the Franchise Tax Board voted 2-0 to support this bill as amended on March 20, 2001, with Annette Porini, on behalf of Member B. Timothy Gage, abstaining.

LEGISLATIVE STAFF CONTACT

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Board Position:

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|---------------------------------------|------------------------------|----------------------------------|
| <input checked="" type="checkbox"/> S | <input type="checkbox"/> NA | <input type="checkbox"/> NP |
| <input type="checkbox"/> SA | <input type="checkbox"/> O | <input type="checkbox"/> NAR |
| <input type="checkbox"/> N | <input type="checkbox"/> OUA | <input type="checkbox"/> PENDING |

Legislative Director

Date

Brian Putler

09/20/01